

**MINUTES**  
**LANCASTER COUNTY BOARD OF COMMISSIONERS**  
**MID-YEAR BUDGET REVIEW**  
**LINCOLN AIRPORT BOARD ROOM**  
**THURSDAY, FEBRUARY 3, 2000**  
**8 A.M. TO NOON**

Commissioners Present: Kathy Campbell, Chair  
Larry Hudkins, Vice Chair  
Bernie Heier  
Linda Steinman  
Bob Workman

Others Present: Kerry Eagan, Chief Administrative Officer  
Dave Kroeker, Budget and Fiscal Director  
Christopher Hain, reporter for the *Journal Star*

**Agenda Item**

1                    **Mid-Year Budget Review - Dave Kroeker, Budget & Fiscal Director**

Dave Kroeker, Budget & Fiscal Director, disseminated documentation pertaining to the *Mid-Year Budget Review* (Exhibit "A") and stated he is concerned that fund balances will be down by June 30, 2000 and that it will have a negative impact on next year's budget. He noted three areas of concern for the current budget year (Exhibit "B"):

- < Inheritance tax dollars - On December 31, 1999 inheritance tax dollars were down by \$561,000 as compared to December 31, 1998.
- < Boarding contracts and legal in Juvenile Court - Shortfall of \$406,500
- < Lancaster Manor - Revenues are down \$255,731 with expenditures increasing by \$829,453

**a.                    Mid-year status of expenditure budget**

Kroeker noted two areas of concern in relation to projected additional appropriations for Fiscal Year 2000:

- < Boarding contracts
- < Corrections has projected they will need an additional \$138,000 in relation to Information Services

Kroeker stated last year's transfers from the General Fund were \$676,244 compared to \$1,138,000 for Fiscal Year 2000.

It was also noted that there is \$1,300,000 in the Contingency Budget and \$144,500 in the Group Insurance Contingency. Kroeker stated the County is covered for Fiscal Year 2000, however, the concern is that fund balances would decrease next year.

The following were briefly reviewed:

- < December 31, 1999 Report of Expenditures versus Budget
- < December 31, 1999 Report of Payroll Costs versus Budget
- < Fiscal Year 2000 versus Fiscal Year 1999 Six Month Expenditure Comparison
- < Fiscal Year 2000 versus Fiscal Year 1999 Six Month Payroll Comparison
- < Juvenile Court Boarding contracts - Fiscal Year 1986 to Fiscal Year 1999 Actual Net Cost

In response to an inquiry by Campbell regarding overtime, Kroeker stated he would put together a schedule of agencies using overtime.

Regarding boarding contracts, Kroeker stated based on the projected cost for Fiscal Year 2000 of \$885,610 there would be a budget shortfall of \$296,610 for Fiscal Year 2000.

**b. Mid-year status of revenue budget**

Kroeker referred to page 2-2 of Exhibit "A" regarding Fiscal Year 2000 versus Fiscal Year 1999 Six Months Revenue Comparison and noted that Lancaster Manor was down \$255,000 and Inheritance Tax decreased by \$561,323.

Kroeker explained in Fiscal 99 inheritance tax collections were \$1,605,000 over the budget estimate. These additional collections increased the Fund Balances to start Fiscal 2000.

Also discussed were Inheritance Tax collections with Kroeker noting that December 31<sup>st</sup> collections were down by \$561,324 from last year. He said available revenues could be down \$200,000 to \$1,225,000 based on the last eight years.

Other areas briefly discussed were as follows:

- < Register of Deeds fees comparison
- < Cash flow for Fiscal Years 1997 through 2000

**c. Other issues**

Fiscal Year 2000 Building Fund Budget

Kroeker stated the major expenditure was for architectural fees in connection with the new juvenile detention facility. Also paid out was \$712,748 for the County's share of Public Building Commission projects.

Juvenile Detention Facility

Kroeker stated the County levied for three years for miscellaneous projects which included setting monies aside for the detention center. There are \$1,237,826 of funds available which could be used to retire the debt early.

Hudkins stated he would prefer not repaying the debt early so that they can see what the cash flow will be like in the future.

Campbell stated she would prefer not spending the monies until they know what will happen with the Public Building Commission, the old federal building, the police building and Trabert Hall.

Keno Fund Collections and Budget

Kroeker commented that Keno funds are slightly ahead from last year and noted several projects paid directly from the Keno fund (page 3-4 in Exhibit "A").

Other topics briefly discussed:

- < History of Keno fund expenditures (page 3-5 in Exhibit "A")
- < Explanation of Keno fund transfers (page 3-6 in Exhibit "A")

Discussion followed regarding a request made by the County Assessor's Office for \$110,000 of additional money for the purchase of new digital cameras, staffing and miscellaneous costs and additional disc storage in connection with digital photographs of all improved properties.

The following were briefly discussed:

- < Information Service Fund Budget
- < Micro Fund Status
- < Six year History of micro computer purchases
- < Seven year Summary Indigent Defense costs
- < Seven year Detail of Indigent Defense costs
- < Five year history of Year End Fund balances
- < Leases with Nebraska Association of County Officials (NACO)
- < Actual & Project Debt Service Requirement
- < Eight month Summary of Maintenance Agreements

Kroeker stated the County's fund balances have increased, but expenditures have also increased.

A memo from Kathy Smith, Assistant Purchasing Agent, summarizing maintenance agreements for the last eight months along with her recommendations was disseminated (Exhibit "C").

**d. Five-year forecast**

Kroeker referred to additional requirements on page 4-2 in Exhibit "A" noting that the rents in the Hall of Justice will increase \$210,000 compared with the current rents. He also stated he didn't forecast any monies for parking improvements or the Election Commissioner relocation.

Additional requirements discussed were the County share of the Public Building Commission debt service shortfall, three percent additional money for roads, operating costs for the new juvenile detention center and the transition budget for the new juvenile detention center.

Other highlights of the five-year forecast were as follows:

- < Calculation of restricted funds for LB299
- < Seven year history of tax requirements
- < Seven year history of General Fund budget
- < History of payroll costs and selected benefits
- < Change in consumer Price Index

**e. Letters from agencies**

It was the consensus of the County Board to approve additional appropriations for the following agencies, however, they would be asking each agency to try to absorb increases from existing appropriations.

County Board - 601

Additional appropriations of \$5,000 for salaries.

County Clerk - 602

\$15,000 for data processing for payroll.

Register of Deeds - 604

\$19,763 for temporary help due to illness.

County Assessor - 695

\$30,000 for digital photographs of all improved properties (Keno fund).

Election Commissioner - 607

\$1,000 for postage and \$600 for rent.

Budget & Fiscal - 611

Additional appropriations, in the amount of \$5,500 for salaries.

Geographic Information System - 615

\$10,600 for addressing project - transfer from Keno fund.

County Court - 622

Kroeker stated he hadn't received a letter, however, their budget looked good.

District Court - 624

\$7,642 for receptionist.

District Court Judge Merritt - Robe

Judge Merritt requested a second judicial robe, in the amount of \$499.

Hudkins inquired whether requests for proposals were completed.

Kroeker stated he felt it should be reviewed by the Purchasing Department.

Kerry Eagan, Chief Administrative Officer, explained that the policy in Lancaster County states that purchases under \$1,000 do not require bids. Purchases over \$1,000 require informal bids. He also noted that the statute says purchases over \$2,500 require bids.

It was the consensus of the County Board to request that the Purchasing Department review the request.

Public Defender - 625

Additional appropriations, in the amount of \$29,227, for salaries and \$18,826 for witness fees and transcripts and depositions.

Jury Commissioner - 627

A total request of \$8,521 for postage and copying.

Justice Miscellaneous - 628

Additional appropriations, in the amount of \$51,700, for Juvenile Grant Match and (B.E.S.T.)

Extension Service - 645

\$1,841 for heating system repairs.

Records Management - 648

\$2,000 in additional appropriations for client pay.

Sheriff - 651

\$111,949 in additional appropriations for salaries.

County Attorney - 652

\$40,800 for psychiatric evaluations and a temporary paralegal.

Corrections - 671

\$138,000 in additional appropriations for Information Services and \$50,000 for the prior year for a total of \$188,000.

County Engineer - 703

Additional appropriations in the amount of \$51,000 for salaries.

Veterans Service - 803

\$9,147 in additional appropriations for rent, salaries, insurance and retirement.

Human Services - 837

\$8,356 in additional appropriations for salaries and printing.

Safety and Training - 616

\$1,500 in additional monies for salaries.

Bridge & Special Road Fund - 21

Additional appropriations, in the amount of \$218,955 for work near Branched Oak Lake. This is covered by a \$438,000 reimbursement from the State of Nebraska.

Lancaster Manor - 61

\$260,000 in additional appropriations for temps.

Mental Health Center - 63

Additional appropriations - \$79,300 for salaries

Weed Control - 64

\$10,400 for contracted weed control and Palm Pilots for digital entry of data.

City Property Management - 65

Additional appropriations, in the amount of \$65,754, for salaries based on December 31, 1999 projections.

The following requests were placed on hold for further review:

Clerk of the District Court - 624

Consensus of the County Board to hold the request in relation to Information Services, the Lektriever file system and advertising for a Staff Meeting and request that Kelly Moore Guenzel Handlos, Clerk of the District Court, Doug Thomas with Information Services and Brian Pillard, Records and Information Management attend.

Juvenile Court - 623

It was the consensus of the County Board to hold the request for discussion at Thursday Staff Meeting and request Juvenile Court Judge Dawson, Dennis Keefe, Public Defender and Mark Martin, Office of Juvenile Services (OJS).

**f. Time table and procedure for Fiscal Year 2000-2001**

The County Board asked that the budget guidelines and budget calendar be approved at the next regular staff meeting.

The Chair recessed the meeting at 12:10 p.m.

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Bruce Medcalf  
County Clerk